

1 AN ACT in relation to public employee benefits.

2 Be it enacted by the People of the State of Illinois,  
3 represented in the General Assembly:

4 Section 5. The Illinois Pension Code is amended by  
5 changing Section 7-156 as follows:

6 (40 ILCS 5/7-156) (from Ch. 108 1/2, par. 7-156)  
7 Sec. 7-156. Surviving spouse annuities - amount.

8 (a) The amount of surviving spouse annuity shall be:

9 1. Upon the death of an employee annuitant or such  
10 person entitled, upon application, to a retirement annuity at  
11 date of death, (i) an amount equal to 1/2 of the retirement  
12 annuity which was or would have been payable exclusive of the  
13 amount so payable which was provided from additional credits,  
14 and disregarding any election made under paragraph (b) of  
15 Section 7-142, plus (ii) an annuity which could be provided  
16 at the then attained age of the surviving spouse and under  
17 actuarial tables then in effect, from the excess of the  
18 additional credits, (excluding any such credits used to  
19 create a reversionary annuity) used to provide the annuity  
20 granted pursuant to paragraph (a) (2) of Section 7-142 of  
21 this article over the total annuity payments made pursuant  
22 thereto.

23 2. Upon the death of a participating employee on or  
24 after attainment of age 55, an amount equal to 1/2 of the  
25 retirement annuity which he could have had as of the date of  
26 death had he then retired and applied for annuity, exclusive  
27 of the portion thereof which could have been provided from  
28 additional credits, and disregarding paragraph (b) of Section  
29 7-142, plus an amount equal to the annuity which could be  
30 provided from the total of his accumulated additional credits  
31 at date of death, on the basis of the attained age of the

1 surviving spouse on such date.

2 3. Upon the death of a participating employee before age  
3 55, an amount equal to 1/2 of the retirement annuity which he  
4 could have had as of his attained age on the date of death,  
5 had he then retired and applied for annuity, and the  
6 provisions of this Article that no such annuity shall begin  
7 until the employee has attained at least age 55 were not  
8 applicable, exclusive of the portion thereof which could have  
9 been provided from additional credits and disregarding  
10 paragraph (b) of Section 7-142, plus an amount equal to the  
11 annuity which could be provided from the total of his  
12 accumulated additional credits at date of death, on the basis  
13 of the attained age of the surviving spouse on such date.

14 If the death occurs before the effective date of this  
15 amendatory Act of the 93rd General Assembly and the a  
16 surviving spouse is more than 5 years younger than the  
17 deceased, that portion of the annuity which is not based on  
18 additional credits shall be reduced in the ratio of the value  
19 of a life annuity of \$1 per year at an age of 5 years less  
20 than the attained age of the deceased, at the earlier of the  
21 date of the death or the date his retirement annuity begins,  
22 to the value of a life annuity of \$1 per year at the attained  
23 age of the surviving spouse on such date, according to  
24 actuarial tables approved by the Board. If the death occurs  
25 on or after the effective date of this amendatory Act of the  
26 93rd General Assembly, this reduction due to age of the  
27 surviving spouse does not apply.

28 In computing the amount of a surviving spouse annuity,  
29 incremental increases of retirement annuities to the date of  
30 death of the employee annuitant shall be considered.

31 (b) Each surviving spouse annuity payable on January 1,  
32 1988 shall be increased on that date by 3% of the original  
33 amount of the annuity. Each surviving spouse annuity that  
34 begins after January 1, 1988 shall be increased on the

1 January 1 next occurring after the annuity begins, by an  
2 amount equal to (i) 3% of the original amount thereof if the  
3 deceased employee was receiving a retirement annuity at the  
4 time of his death; otherwise (ii) 0.167% of the original  
5 amount thereof for each complete month which has elapsed  
6 since the date the annuity began.

7 On each January 1 after the date of the initial increase  
8 under this subsection, each surviving spouse annuity shall be  
9 increased by 3% of the originally granted amount of the  
10 annuity.

11 (Source: P.A. 85-941.)

12 Section 90. The State Mandates Act is amended by adding  
13 Section 8.27 as follows:

14 (30 ILCS 805/8.27 new)

15 Sec. 8.27. Exempt mandate. Notwithstanding Sections 6  
16 and 8 of this Act, no reimbursement by the State is required  
17 for the implementation of any mandate created by this  
18 amendatory Act of the 93rd General Assembly.

19 Section 99. Effective date. This Act takes effect upon  
20 becoming law.